

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KENTUCKY)	
POWER COOPERATIVE, INC. FOR AN)	
ADJUSTMENT TO ITS WHOLESALE)	CASE NO. 93-093
ELECTRIC POWER TARIFF)	

O R D E R

On May 21, 1993, the Commission received an application from East Kentucky Power Cooperative, Inc. ("EKPC") wherein it proposed to adjust its rates for electric service effective July 1, 1993. In its filing, EKPC requested a deviation from the requirements of 807 KAR 5:001, Section 10(6)(n), which requires a summary of the utility's latest depreciation study, and Section 10(6)(u), which requires an electric utility whose annual gross revenues exceed \$5 million shall to file a cost-of-service study.

In support of its request, EKPC states that it participates in Rural Electrification Administration ("REA") loan programs and that depreciation studies are not normally performed by REA borrowers who follow REA established depreciation guidelines as EKPC does. EKPC also states that no cost-of-service study should be required since its proposed rates are based on marginal costs and the proposed rates will produce less revenue for EKPC with no increase in power costs to EKPC's distribution cooperative customers.

Having reviewed the filing and being otherwise sufficiently advised, the Commission finds that the information filed therein is


sufficient to enable the Commission to adequately review EKPC's filing. Therefore, its request for a deviation from the above-cited regulation should be granted.

IT IS THEREFORE ORDERED that EKPC's request for a deviation from the requirements of 807 KAR 5:001, Section 10(6)(n) and (6)(u), is hereby granted.

Done at Frankfort, Kentucky, this 14th day of June, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:



Executive Director